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\*\*\*\*\* T O P S E C R E T \*\*\*\*\* COPY

OP IMMED  
DE WTE #4000 241230Z  
O 300200Z AUG 75  
FM THE SITUATION ROOM//TOHAK100//

TO ADAMS/HARRIAN/RODMAN FOR THE SECRETARY

T O P S E C R E T SENSITIVE CONTAINS CODEWORD EXCLUSIVELY EYES ONLY  
VIA BLACK PATCH WH51700.

TOHAK100

AUGUST 30, 1975

MEMORANDUM FOR SECRETARY KISSINGER  
FROM: THE SITUATION ROOM  
SUBJECT: ADDITIONAL INFORMATION ITEMS

VELASCO DUSTED IN PERU: AS THE NON-ALIGNED CONFERENCE BEGAN ITS FINAL DAY IN LIMA, PERUVIAN PRESIDENT JUAN VELASCO WAS DUSTED IN A SURPRISE AND BLOODLESS COUP. PRIME MINISTER MORALES BERMUDEZ, WITH THE SUPPORT OF PERU'S MILITARY COMMANDERS AND THE NATIONAL POLICE, HAS ASSUMED LEADERSHIP OF THE GOVERNMENT AND APPEARS TO BE IN FIRM CONTROL. HE WAS IN SOUTHERN PERU WHEN THE TAKEOVER OCCURRED. VELASCO REPORTEDLY IS UNDER HOUSE ARREST AT HIS HOME OUTSIDE LIMA. THE COMMUNIQUE ISSUED BY THE NEW GOVERNMENT STRESSES CONTINUITY. IT IS LIKELY THAT THE BASIC RADICAL-NATIONALIST ORIENTATION OF THE GOVERNMENT WILL CONTINUE ALTHOUGH MORALES BERMUDEZ WILL PROBABLY FOLLOW A SOMEWHAT MORE MODERATE LINE THAN DID VELASCO. DISSATISFACTION WITH VELASCO'S POLICIES HAD GROWN SINCE LAST FEBRUARY WHEN HE SUFFERED A SEVERE STROKE. MILITARY LEADERS HAVE OFTEN BEEN PARTICULARLY DISPLEASED WITH VELASCO'S TACTICS AND PERSONALISTIC LEADERSHIP. IT IS POSSIBLE THAT SOME OF THE MORE RADICAL OFFICERS CLOSELY ASSOCIATED WITH VELASCO MAY NOW BE PURGED.

MORALES BERMUDEZ WAS NAMED PRIME MINISTER BY VELASCO LAST FEBRUARY. HE HAS BEEN CONSIDERED VELASCO'S LIKELY SUCCESSOR AS PRESIDENT. PREVIOUSLY HE SERVED AS ARMY CHIEF OF STAFF AND AS MINISTER OF ECONOMY FROM 1969 THROUGH 74. HE IS A HIGHLY REGARDED AND CAPABLE OFFICIAL.

ON-FILE NSC RELEASE  
INSTRUCTIONS APPLY

NON-ALIGNED CONFERENCE IN LIMA: THE NON-ALIGNED CONFERENCE

\*\*\*\*\* WWSR COMMENT \*\*\*\*\*

SECFLR

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ENTERED ITS FINAL DAY OF DISCUSSIONS IN LIMA FRIDAY. THE POLITICAL COMMITTEE SET UP TO DRAFT A FINAL DOCUMENT FOR THE CONFERENCE PASSED A RESOLUTION ON ISRAEL THAT REPRESENTS A COMPROMISE BETWEEN A VERY HARSH ONE PROPOSED BY SYRIA (CALLING FOR EXPULSION FROM THE UN) AND A MILD ONE DRAFTED BY PERU. THE PLENARY SESSION FRIDAY NIGHT IS EXPECTED TO APPROVE THE RESOLUTION WHICH CALLED UPON THE SECURITY COUNCIL TO CHECK ON THE BEHAVIOR OF ISRAEL WHICH IS IN VIOLATION OF UN RESOLUTIONS AND TO TAKE NECESSARY STEPS ACCORDING TO CHAPTER VII OF THE UN CHARTER. THE AFRICAN NATIONS REPORT-EDLY WERE INSTRUMENTAL IN DEFEATING A HAPSHER RESOLUTION.

THE FINAL DECLARATION OF THE CONFERENCE IS ALSO EXPECTED TO CONTAIN A PRELIMINARY ECONOMIC PROGRAM ON WHICH TO BASE NEGOTIATIONS WITH THE INDUSTRIALIZED NATIONS FOR A NEW WORLD ECONOMIC ORDER INCLUDING PROVISION FOR A SOLIDARITY FUND, AGREED UPON BY THE CONFERENCE WEDNESDAY, TO AID DE-VELOPING COUNTRIES AND TO PROTECT THE PRICE OF RAW MATER-IALS IN THE WORLD MARKET. KUWAIT HAS OFFERED TO START THE DEVELOPMENT FUND, TO WHICH EACH NON-ALIGNED COUNTRY WOULD CONTRIBUTE AT LEAST \$1 MILLION, WITH A \$1.2 BILLION CONTRIBUTION. THE FUND'S ASSETS OF ABOUT \$3 BILLION WOULD BE AVAILABLE TO ALL THIRD WORLD COUNTRIES TO DRAW UPON. ANOTHER \$3 BILLION FUND WOULD BE CREATED BY A PROPOSED COUNCIL OF ASSOCIATIONS OF RAW MATERIAL PRODUCERS TO DE-FEND PRICES.

SOVIETS BUY MORE GRAIN: THE SOVIET UNION HAS PURCHASED 1.3 MILLION TONS OF GRAIN AND CONTINUES TO SEEK ADDITIONAL QUANTITIES.

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THE SOVIETS HAVE ALSO BOUGHT 100,000 TONS OF WHEAT FROM THE ARGENTINE GRAIN BOARD AT A PRICE OF \$16.6 MILLION.

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